

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of The Commission,) Application No. NG-0013
on its own motion, to evaluate)
and establish, on a quarterly)
basis, an assessment for)
jurisdictional utilities) PROGRESSION ORDER NO. 3
pursuant to the State Natural)
Gas Regulation Act [LB 790,)
2003].) Entered: April 14, 2004

BY THE COMMISSION:

The State Natural Gas Regulation Act (Act) requires that the Commission assess its expenditures for each quarter-year against all jurisdictional utilities, subject to certain adjustments. See Neb. Rev. Stat. section 66-1841. The Act provides that the Commission shall determine its expenditures for the given quarter within 15 days after such quarter. This order addresses the assessment for expenses during the third quarter of fiscal year 2003-2004, January through March 2004.

Actual Third-Quarter Expenses

Actual third-quarter expenses, adjusted for docket-specific special assessments pursuant to Neb. Rev. Stat. § 66-1840, were \$30,042.76.

Fund Balance and Seed Money

The total of the balances in the State Natural Gas Regulation Cash Fund and State Natural Gas Regulation General Fund as of March 31, 2004, was \$116,957.31. This total includes \$50,000 that the Commission collected in the first-quarter assessment period, in anticipation of repayment of seed money appropriated by the Legislature. To date, the Commission has received the full appropriation of \$100,000 in seed money from the Legislature for the Commission to carry out its duties under the Act. The entire \$100,000 must be repaid by June 30, 2004, pursuant to the Act.

O P I N I O N A N D F I N D I N G S

Based upon the foregoing, the Commission finds that an assessment of \$67,000 is necessary to collect the remaining \$50,000 to repay the seed money to the State's General Fund, to pay all expenses, to provide a sufficient reserve and to maintain a cash flow until the next assessment evaluation and collection.

Therefore, the total assessed amount is \$67,000. Appendix A shows the allocation of this amount to the Jurisdictional Utilities, as required by Section 66-1841(4) of the Act. The allocated amounts are based upon number of meters served, as reported by the Jurisdictional Utilities on July 31, 2003, pursuant to the Commission's Order entered June 25, 2003, in Rule and Regulation No. 157. The assessed amounts are as follows: for Aquila, \$38,159; for Kinder Morgan, \$20,493; and for NorthWestern Energy, \$8,347.

The Act permits a jurisdictional utility to recover the amount of any assessments or charges paid to the Commission pursuant to Section 66-1840 or 66-1841 as a special surcharge billed to ratepayers. The surcharge must be shown on customer billing statements as required by Section 66-1841(7)(a).

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the Jurisdictional Utilities pay the amounts set forth above within 15 days from the date that notice of assessment is mailed, as required by Neb. Rev. Stat. § 66-1841(4).

MADE AND ENTERED at Lincoln, Nebraska, this 14th day of April, 2004.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Executive Director

Appendix A

Amount Assessed for Commission Costs	17,000
Reimbursement of General Fund Seed Money	<u>50,000</u>
Total Assessment	67,000

Energy Filings
Calendar Year 2002
Meters Served

	<u>Meters</u>	<u>Percent of Total</u>	<u>Allocated Assessment</u>
Aquila Total Meters	184,120	56.95%	38,160
Kinder Morgan Active Meters	98,882	30.59%	20,493
NorthWestern Energy Number of Bills (Average Monthly)	<u>40,276</u>	<u>12.46%</u>	<u>8,347</u>
Total Industry	323,278	100.00%	67,000